

Agency Proposed Budget

The following table summarizes the total executive budget proposal for the agency by year, type of expenditure, and source of funding.

Agency Proposed Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Exec. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Exec. Budget Fiscal 2007	Total Exec. Budget Fiscal 06-07
FTE	5.00	(1.00)	0.00	4.00	(1.00)	0.00	4.00	4.00
Personal Services	184,827	3,837	0	188,664	4,333	0	189,160	377,824
Operating Expenses	124,490	16,819	0	141,309	4,075	0	128,565	269,874
Total Costs	\$309,317	\$20,656	\$0	\$329,973	\$8,408	\$0	\$317,725	\$647,698
General Fund	309,317	20,656	0	329,973	8,408	0	317,725	647,698
Total Funds	\$309,317	\$20,656	\$0	\$329,973	\$8,408	\$0	\$317,725	\$647,698

Agency Description

The Commissioner of Political Practices has responsibilities that were defined by a legislative initiative in 1980 requiring disclosure of acts by lobbyists and business interests of elected officials. The commissioner also has responsibility for the ethical standards of conduct for legislators, public officers, and state employees pursuant to Title 2, Chapter 2, MCA.

Agency Highlights

Commissioner of Political Practices Major Budget Highlights
<ul style="list-style-type: none"> Total funding is 2.3 percent more than the 2005 biennium due primarily to statewide present law adjustments, partially offset by the reduction of 1.0 FTE, and a \$6,365 request for computer replacement costs HB 3 includes \$9,619 for payout for the out going commissioner in FY 2005
Major LFD Issues
<ul style="list-style-type: none"> One-time-only funding recommended for computer replacement

Agency Discussion

The Commissioner of Political Practices (COPP) addresses its duties with one elected official and four staff members. Activity for this agency varies depending upon election and reporting activity, and issues related to ethical standards of conduct for legislators, public officers, and state employees.

As of November 2004, COPP had 13 complaints on the docket, which are handled by the Agency Legal Service Bureau or outside legal counsel. (The Agency Legal Services Bureau in the Department of Justice provides legal counsel to state government officials and state agencies in civil actions ranging from liability lawsuits to personnel issues.) An outside counsel is used in cases where there is conflict of interest, and is presently handling two cases. Legal fees, projected at \$86,000 per year, account for 26 percent of the agency's 2007 biennium budget. The annual projected amount is the same as the 2005 biennium, which is \$13,000 lower than the 2003 biennium total.

The number of people paid to undertake the mandated duties drives the COPP budget. Salaries represent 57 percent of the budget, while legal counsel is 26 percent, and operation expenditures, without legal fees, is 17 percent.

Funding

The following table shows program funding, by source, for the base year and for the 2007 biennium as recommended by the Governor.

Program Funding Table						
Administration						
Program Funding	Base FY 2004	% of Base FY 2004	Budget FY 2006	% of Budget FY 2006	Budget FY 2007	% of Budget FY 2007
01000 General Fund	\$ 309,317	100.0%	\$ 329,973	100.0%	\$ 317,725	100.0%
Grand Total	\$ 309,317	100.0%	\$ 329,973	100.0%	\$ 317,725	100.0%

This program is funded with general fund. A small amount of revenue is generated from nominal fees charged for printing and distribution, as well as occasional civil fines for violation of campaign laws. Both are deposited into the general fund. Additionally, the commissioner collects the \$150 lobbyist filing fees, \$50 of which is deposited to the general fund and \$100 to a state special revenue account that is appropriated to the Legislative Services Division to fund the state broadcasting system. Total deposited revenues for statewide broadcasting in FY 2004 were \$23,048.

Biennium Budget Comparison

The following table compares the executive budget request in the 2007 biennium with the 2005 biennium by type of expenditure and source of funding. The 2005 biennium consists of actual FY 2004 expenditures and FY 2005 appropriations.

Biennium Budget Comparison								
Budget Item	Present Law Fiscal 2006	New Proposals Fiscal 2006	Total Exec. Budget Fiscal 2006	Present Law Fiscal 2007	New Proposals Fiscal 2007	Total Exec. Budget Fiscal 2007	Total Biennium Fiscal 04-05	Total Exec. Budget Fiscal 06-07
FTE	4.00	0.00	4.00	4.00	0.00	4.00	5.00	4.00
Personal Services	188,664	0	188,664	189,160	0	189,160	376,365	377,824
Operating Expenses	141,309	0	141,309	128,565	0	128,565	256,525	269,874
Total Costs	\$329,973	\$0	\$329,973	\$317,725	\$0	\$317,725	\$632,890	\$647,698
General Fund	329,973	0	329,973	317,725	0	317,725	632,890	647,698
Total Funds	\$329,973	\$0	\$329,973	\$317,725	\$0	\$317,725	\$632,890	\$647,698

Supplemental Appropriations

The agency requests \$9,619 as a supplemental appropriation from HB 3 to fund the payout of the outgoing commissioner in FY 2005.

LFD COMMENT

The current commissioner's term expires on December 31, 2004. The agency requests the supplemental appropriation to cover the accrued vacation and sick leave that is required to be paid to the commissioner at the end of the commissioner's single six-year term.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments									
-----Fiscal 2006-----					-----Fiscal 2007-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				36,800					37,211
Fixed Costs				10,454					4,075
Total Statewide Present Law Adjustments				\$47,254					\$41,286
DP 1 - Computer replacement									
0.00	6,365	0	0	6,365	0.00	0	0	0	0
DP 2 - Permanent FTE Reduction									
(1.00)	(32,963)	0	0	(32,963)	(1.00)	(32,878)	0	0	(32,878)
Total Other Present Law Adjustments									
(1.00)	(\$26,598)	\$0	\$0	(\$26,598)	(1.00)	(\$32,878)	\$0	\$0	(\$32,878)
Grand Total All Present Law Adjustments				\$20,656					\$8,408

DP 1 - Computer replacement - The state standard for computer replacement is every four years. The budget includes \$6,365 general fund in FY 2006 for replacement of the commissioner's five computer stations purchased in FY 2002.

LFD COMMENT

In accordance with its technology plan, the commission requests \$6,000 to replace five computers to manage the expanding data base and disseminate large files of information electronically as authorized in SB 38 "to provide information electronically to reduce printing and mailing costs".

LFD COMMENT

DP-1 does not represent on-going maintenance costs. The legislature may wish to designate this funding as one-time-only.

DP 2 - Permanent FTE Reduction - The 2003 Legislature reduced funding for this agency. This proposal makes that budget reduction permanent by eliminating 1.0 FTE and approximately \$33,000 from the general fund each year of the biennium.

LFD COMMENT

During the last session the legislature reduced the agency's funding associated with a data manager position by \$30,500 per year, but did not reduce the FTE. The position was not filled. Staff made business procedure adjustments, reallocated assignments, and developed a strategy to evaluate ways to decrease data entry time. DP-2 permanently eliminates funding for the vacant position, reducing the agency's total FTE to 4.0.